

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1. Contract ID Code Cost-Plus-Fixed-Fee		Page 1 Of 6	
2. Amendment/Modification No.  P00184		3. Effective Date  2007MAY23		4. Requisition/Purchase Req No.  SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By U.S. ARMY TACOM LCMC SFAE-GCS-W-BCTP EDWARD OTTMAN (586)753-2147 WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL WEAPON SYSTEM: WPN SYS: KM EMAIL: ED.OTTMAN@US.ARMY.MIL		Code W56HZV		7. Administered By (If other than Item 6) DCMA DETROIT U.S. ARMY TANK & AUTOMOTIVE COMMAND (TACOM) ATTN: DCMAE-GJD WARREN, MI 48397-5000  SCD A PAS NONE ADP PT HQ0337		Code S2305A	
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)  GM GDLS DEFENSE GROUP, LLC 38500 MOUND ROAD STERLING HEIGHTS, MI 48310-3260  TYPE BUSINESS: Large Business Performing in U.S.				<input type="checkbox"/>		9A. Amendment Of Solicitation No.	
						9B. Dated (See Item 11)	
				<input checked="" type="checkbox"/>		10A. Modification Of Contract/Order No.  DAAE07-02-C-B001	
						10B. Dated (See Item 13)  2002MAY18	
Code INLE2		Facility Code					
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required) ACRN: BH NET INCREASE: \$781,842.00							
<b>13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS</b>							
KIND MOD CODE: A It Modifies The Contract/Order No. As Described In Item 14.							
<input checked="" type="checkbox"/>		A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A. The Changes Set Forth In Item 14 Are Made In					
<input type="checkbox"/>		B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).					
<input type="checkbox"/>		C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:					
<input type="checkbox"/>		D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
SEE SECOND PAGE FOR DESCRIPTION							
Contract Expiration Date: 2008JUN30							
Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print) EDWARD OTTMAN ED.OTTMAN@US.ARMY.MIL (586)574-2147			
15B. Contractor/Offeror  _____ (Signature of person authorized to sign)		15C. Date Signed		16B. United States Of America  By _____ /SIGNED/ (Signature of Contracting Officer)		16C. Date Signed  2007MAY23	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

CONTINUATION SHEET	Reference No. of Document Being Continued  PIIN/SIIN DAAE07-02-C-B001MOD/AMD P00184	Page 2 of 6
Name of Offeror or Contractor: GM GDLS DEFENSE GROUP, LLC		

SECTION A - SUPPLEMENTAL INFORMATION

This Modification P00184 is being issued as a change order under the Changes clause at I-67 of this contract.

2. Pursuant to the Changes clause 52.243-2 Alt II, the Contracting Officer hereby directs the Contractor to perform the SOW in Section C of this modification as part of the Reset Efforts awarded on Modification P00182. This effort shall be considered an update to the original requirement to Reset for up to 300 Ea Stryker Combat vehicles.

3. The total estimated cost to perform the above changes to the scope of work, inclusive of fixed fee at 8.75%, is \$781,842.00. The funded CLIN is 0004BP is added to the contract.

Estimated Cost:	\$692,825
Cost of Money:	\$ 50
Fixed Fee (8.75%)	\$ 60,626
Travel	\$ 28,341
Total Estimated Cost	\$781,842

4. If any of the above changes cause an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects any other terms and conditions of this contract, the Contracting Officer shall make an equitable adjustment in the --

(1) Estimate cost, delivery or completion schedule, or both;

(2) Amount of any fixed fee; and

(3) Other affected terms and shall modify the contract accordingly.

5. The Contractor shall assert its right to an adjustment under this clause within 30 days from the effective date of this modification P00184. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

6. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

7. Notwithstanding the terms and conditions of paragraphs (2) and (4) above, the estimated cost of this contract shall not be increased or considered to be increased except by specific written modification of the contract indicating the new contract estimated cost. Until this modification is made, the Contractor shall not be obligated to continue performance or incur costs beyond the point established in the Limitation of Cost or Limitation of Funds clause of this contract.

8. As a result of this Modification P00184, the total obligated amount for contract DAAE07-02-C-B001 is increase by \$781,842.00.

9. With the exception of the above all other terms and conditions of the contract remain unchanged and in full force and effect.

\*\*\* END OF NARRATIVE A 0188 \*\*\*

Name of Offeror or Contractor: GM GDLS DEFENSE GROUP, LLC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0004BP	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
	<u>SERVICES LINE ITEM</u>				\$ 781,842.00
	NOUN: 3/2 RESET LEAN 6 SIGMA				
	PRON: X17GXFABX1 PRON AMD: 01 ACRN: BH				
	AMS CD: 137010NC000				
	Estimated Cost: \$692,825				
	Cost of Money: \$ 50				
	Fixed Fee (8.75%) \$ 60,626				
	Travel \$ 28,341				
	Total Estimated Cost \$781,842				
	(End of narrative B001)				
	<u>Inspection and Acceptance</u>				
	INSPECTION: Origin ACCEPTANCE: Origin				
	<u>Deliveries or Performance</u>				
	DLVR SCH	PERF COMPL			
	<u>REL CD</u> <u>QUANTITY</u> <u>DATE</u>				
	001 0 30-JUN-2008				
	\$ 781,842.00				

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SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

3-2 RESET Lean Six Sigma Project

PWS

Employ the Define, Measure, Analyze, Improve and Control Lean Six Sigma problem solving methodology to conduct an assessment of (1) processes and (2) work flow issues in the current Stryker reset activities.

- Goals of the project are to
- Optimize the total system work flow given the constraints of facilities, labor, time and material  
Improve process efficiency by reducing idle time
  - Better integrate Retrofit activity with the RESET work flow
  - Baseline for these activities is SBCT 1 Reset (Dec 07 to Apr 08)
  - Improve vehicle quality by conducting thorough and precise LTI and documentation of failures/discrepancies during work
  - Synchronize current Limited Technical Inspections (LTI) processes to reduce material costs. This shall render material forecasting improvements and timely requisition of Long Lead Items (LLI). Use LTI and USG maintenance (DA Form 2404) data on the front end and Attachment A data and lessons learned on the back end to better define parts required and RESET strategy.

Potential Methodologies

Optimize system work flow by developing a model of the current work flow state. Simulate the end-to-end work flow processes and determine steady state mean and standard deviation for the operation cycle time. Identify bottlenecks, time in queue, wait time, idle time, and other critical variables. Develop alternative solutions to work flow processes which optimize the total system work flow. Standardize milestones and events required to stand up a RESET to include procurement of long lead parts, determination of the RESET strategy, identification of the RESET facility and resources required to execute the RESET.

Improve vehicle quality by defining the current state of quality for the individual and collective vehicles. Identify ship short items, rework/redo, and failures during sell off. Employ Lean Six Sigma tools to identify opportunities for improvement.

Reduce material cost. Identify parts which were ordered but not applied during previous RESETs. Conduct an analysis of the requirements specified in the Limited Technical Inspection (LTI) necessary to bring a vehicle to a Fully Mission Capability (FMC) status. Make recommendations to the Final Inspection (Buy Off) LTI to make it congruent with a FMC vehicle state.

Schedule

	Start	End	Deliverable
Define	24-May-07	9-July-07	10-Jul-07 Project Charter and Draft SIPOC
Measure	9-Jul-07	10-Sep-07	
Analyze	10-Sep-07	2-Nov-07	5-Nov-07 Final SIPOC
Improve	2-Nov-07	3-Dec-07	
Control	14-Jan-09	16-Jun-08	17-Jun-08 Labor and Material costs to Reset ICV, MEV, MCV, FSF, RV, ESV and ATGM variants
Note:			

- It is the objective of the schedule to deliver project and process improve alternatives before the project launch training.
- IPRs and toll gate reviews will be scheduled at the end of each phase. The government shall have representation on the toll gate board.

Benefits

Decrease labor costs and more predictable labor expenditures

Decrease material costs and more predictable material expenditures

Lower volume of Attachment A ship shorts

<b>CONTINUATION SHEET</b>	<b>Reference No. of Document Being Continued</b> <b>PIIN/SIIN</b> DAAE07-02-C-B001 <b>MOD/AMD</b> P00184	<b>Page</b> 5 <b>of</b> 6
<b>Name of Offeror or Contractor:</b> GM GDLS DEFENSE GROUP, LLC		

\*\*\* END OF NARRATIVE C 0015 \*\*\*

Name of Offeror or Contractor: GM GDLS DEFENSE GROUP, LLC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM MIPR	ACRN	OBLG STAT/ JOB ORD NO			INCREASE/DECREASE AMOUNT		CUMULATIVE AMOUNT
0004BP	X17GXFABX1	BH	1	\$	0.00	\$	781,842.00	\$ 781,842.00
	137010NC000		7GXFAB					
	X17GX137F000							
					NET CHANGE	\$	781,842.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	BH	21 72020000075R5R07P1370102571 S20113	W56HZV	\$ 781,842.00
			NET CHANGE	\$ 781,842.00

		PRIOR AMOUNT OF AWARD		INCREASE/DECREASE AMOUNT		CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD:	\$	1,031,996,393.98	\$	781,842.00	\$	1,032,778,235.98

ACRN	EDI ACCOUNTING CLASSIFICATION	
BH	21 070720200000 S20113 75R5R07137010NC0002571	7GXFABS20113 W56HZV